

NATIONAL INVESTMENTS PLC



The Economic Shield of the Nation

AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Business Review and Dividends

- Company's Investment Income up by 59.85% to TZS 5.689 billion recorded in year 2021, year 2020, TZS 3.559 billion. The increase was attributed by increase in interest income from Government Bond and Dividend Income.
- Administrative expenses down by 19.87% from Tzs 1.68 billion in year 2020 to TZS 1.323 billion in the year 2021. The decrease was mainly resulted by controlled expenses and open vacancies.
- Profit before tax up by 144% to TZS 4.098 billion recorded in year 2021 against profit of TZS 1.683 billion year 2020.
- Value of Equity Investments decreased by nearly 30% from TZS 80.997 billion to TZS 57.123 billion recorded in the year 2021. The decrease was mainly attributed by decrease in NMB share price which was recorded at TZS 2,000 per share as at 31 December 2021. However, as at June 2022, NMB Share price has significantly increased to TZS 3,120 per share.
- Interim dividend of TZS 17 per share out of profit for the year 2021 was approved by Shareholders on 3rd December 2021, dividend payment was accordingly paid on 30th December 2021.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	2021 TZS "000"	2020 TZS "000"
Investments Income		
Dividend Income	4,354,438	3,506,247
Interest Income	1,335,510	52,330
Total Investment Income	5,689,948	3,558,578
Total Income	5,689,948	3,558,578
Administrative Expenses	(1,323,233)	(1,651,399)
Other Operating Expenses	(256,495)	(223,812)
Total Operating Profit	4,110,220	1,683,367
Finance Costs	(11,242)	-
Profit before taxation	4,098,979	1,683,367
Tax Charge	(221,992)	(175,312)
Profit for the year	3,876,987	1,508,055
Other Comprehensive Income/Loss:		
Items that will not be classified subsequently to profit or loss:		
Fair value revaluation loss on equity instruments designated at fair value through other comprehensive income	(8,429,678)	(155,014)
Loss on sale of equity investments	(4,224,000)	(677,672)
	(12,653,678)	(832,686)
Total comprehensive (loss)/income for the year net of tax	(8,776,691)	675,370
Dividend:		
Interim dividend for 2021/2020	(1,047,792)	(477,720)
Earnings per share:		
Basic and diluted earnings per share	62.90	21.80

STATEMENT OF FINANCIAL POSITION

	2021 TZS "000"	2020 TZS "000"
Equity and Liabilities		
Capital and Reserve		
Share capital	7,705,604	8,645,647
Share premium	1,587,385	647,342
Retained earnings	15,115,417	2,016,622
Available for sale investments reserve	48,624,803	71,548,081
Equity attributable to owners of the company	73,033,209	82,857,693
Non-current liabilities		
Lease liabilities	31,822	-
	73,065,031	82,857,693
REPRESENTED BY		
Non-current assets		
Property, plant and equipment	1,694,972	1,658,463
Right of use asset	95,787	-
Equity Investments	57,123,378	80,997,056
Government Bonds	15,400,196	1,093,450
	74,314,333	83,748,969
Current assets		
Trade and other receivables	259,435	68,773
Cash and cash equivalents	636,834	769,106
	896,269	837,879
Current liabilities		
Lease liabilities	41,815	-
Trade and other payables	1,039,966	999,454
Dividend Payable	1,063,790	729,701
	2,145,571	1,729,155
Net current liabilities	(1,249,302)	(891,276)
	73,065,031	82,857,693

STATEMENT OF CASH FLOWS

	2021 TZS '000	2020 TZS '000
Operating Activities		
Cash from operations	2,684,879	670,739
Tax paid	(221,992)	(175,312)
Net cash from operating activities	2,462,887	495,427
Investing Activities		
Cash paid for purchase of property, plant and equipment	(68,629)	(13,446)
Proceeds from disposal of equity investments	11,220,000	1,869,440
Government bonds income received	(648,788)	-
Interest received on fixed deposit	46,033	-
Interest income from government bonds	1,289,477	-
Net cash from/ (used in) investing activities	11,838,093	1,855,994
Financing Activities		
Cash paid for purchase of Government Bonds	(13,657,957)	(1,041,120)
Dividend paid to owners of the Company	(713,703)	(613,834)
Payments of principal portion of the lease liabilities	(61,592)	-
Net cash used in financing activities	(14,433,252)	(1,654,954)
Increase/(decrease) in cash and cash equivalents	(132,272)	696,467
Movement in cash and cash equivalents		
At start of year	769,106	72,638
Increase/(decrease) in cash and cash equivalents	(132,272)	696,467
At end of year	636,834	769,106

STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Available for sale investments reserve	Retained earnings	Total
Year ended 31 December 2021	TZS '000	TZS '000	TZS '000	TZS '000	TZS '000
At start of year	8,645,647	647,342	71,548,081	2,016,622	82,857,692
Profit for the year:	-	-	-	3,876,987	3,876,987
Adjustment of share register	(940,043)	940,043	-	-	-
Other comprehensive income for the year, net of income tax:					
Cumulative fair value gain of disposed equity investments	-	-	(10,269,600)	10,269,600	-
Loss in fair value of equity instruments designated at fair value through other comprehensive income	-	-	(8,429,678)	-	(8,429,678)
Loss on disposed equity investments	-	-	(4,224,000)	-	(4,224,000)
Transactions with owners:					
Dividends:					
Interim dividend for 2021	-	-	-	(1,047,792)	(1,047,792)
At end of year	7,705,604	1,587,385	48,624,803	15,115,417	73,033,209
Year ended 31 December 2020					
At start of year	8,645,647	647,342	74,195,526	(828,472)	82,660,043
Profit for the year:	-	-	-	1,508,055	1,508,055
Other comprehensive income for the year, net of income tax:					
Fair value gain of disposed equity investments	-	-	(1,814,759)	1,814,759	-
Loss in fair value of equity instruments designated at fair value through other comprehensive income	-	-	(155,014)	-	(155,014)
Loss on disposed equity investments	-	-	(677,672)	-	(677,672)
Transactions with owners:					
Dividends:					
- Final dividend for 2020	-	-	-	(477,720)	(477,720)
At end of year	8,645,647	647,342	71,548,081	2,016,622	82,857,693

These financial statements were prepared in accordance with the International Financial Reporting Standards (IFRSs) and Tanzania Companies Act 2002, and give a true and fair view of the Company's financial position as at 31 December 2021. These financial statements were approved and authorised for issue by order of the Board of Directors and were signed on its behalf by:

Dr. Gideon H Kaunda
Chairman

Mr. George Nchwali
Director